

WEST DUNBARTONSHIRE COUNCIL
 GENERAL SERVICES CAPITAL PROGRAMME
 ANALYSIS OF PROJECTS AT RED ALERT STATUS

APPENDIX 6

MONTH END DATE

31 January 2020

PERIOD

10

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
Kilpatrick School - New Build						
Project Life Financials	10,719	10,687	100%	10,836	117	1%
Current Year Financials	56	173	306%	173	117	207%
Project Description	Design and build of construction of Additional Support Needs School.					
Project Lifecycle	Planned End Date	31-Mar-20	Forecast End Date	31-Mar-20		
Main Issues / Reason for Variance						
<p>The Final Account has yet to be agreed and will require to be negotiated as the contractor is claiming additional monies beyond the contract sum and available budget, which generates a financial risk that Officers are seeking to mitigate where possible. At present, the forecast outturn is anticipating an overspend in the region of £0.387m which constitutes the additional asbestos removal costs and the final 1.5% retention which there is a contractual obligation to pay. Previously an anticipated overspend has been reported but there is a risk this may increase because the contractor has applied for payment greater than the agreed contract sum and has also submitted a loss and expense claim which is currently being determined. Officers continue to work to fully agree the final account and determine the extent of overspend. Project was physically complete November 2017 with retentions due to be paid when all defects are rectified. At this time there are two defects still to be resolved, however it is anticipated retention release will occur this financial year.</p>						
Mitigating Action						
<p>Opportunities to mitigate are limited at this time. The Council are obligated to make substantiated payment, however continue to meet with Hubwest on a monthly basis with a view to agreeing the final account and resolving the financial position.</p>						
Anticipated Outcome						
<p>Project complete albeit over budget.</p>						

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	£000	£000	%	£000	£000	%

OLSP - New Build

Project Life Financials	3,677	4,092	111%	4,092	415	11%
Current Year Financials	0	8	0%	8	8	0%
Project Description	Design and construction of new Secondary School in Bellsmyre, Dumbarton.					
Project Lifecycle	Planned End Date	31-Mar-19	Actual End Date	31-Mar-19		

Main Issues / Reason for Variance

Project handed over and school opened on 25 October 2017, snagging process is complete and retentions have been released in relation to the new build. Originally £0.264m was contained within the budget for demolition but this was exceeded by £0.134m. Abnormals in respect of ground conditions also required to be paid from WDC Capital Contributions. Demolition is now complete and retentions of £0.010m on demolition project are due January 2020. The remaining overspend of £0.273m is in relation to late contractor change notices.

Mitigating Action

None available at this time due to cost of demolition being in excess of budgetary provision.

Anticipated Outcome

New Build opened to pupils on 25 October 2017 in line with the programme, however due to the tender for the demolition being in excess of budgetary provision and additional costs required to be paid from WDC capital contribution the project will report an overspend of £0.417m.

New Balloch Campus

Project Life Financials	16,479	16,691	101%	16,710	231	1%
Current Year Financials	18	24	135%	28	10	57%
Project Description	Construction of new primary school in Balloch to incorporate St Kessog's PS, Haldane PS and Jamestown PS and EE&CC.					
Project Lifecycle	Planned End Date	31-Mar-20	Actual End Date	31-Mar-20		

Main Issues / Reason for Variance

The main construction project reached the end of the defect rectification period on 9 February 2019, however retention of £0.016m is currently being held and will be released when the Making Good Defects certificate is issued which is forecast prior to the end of this financial year. The overall project is reporting an anticipated overspend of £0.246m at this time and is expected to be financially complete by 31 March 2020 with the release of the Haldane demolition figure.

Mitigating Action

None available.

Anticipated Outcome

Delivery of project on programme, however forecast overspend in the region of £0.246m.